

Washington, DC – To address a significant flaw that has permitted many employers to pay women less than men, Congressman Joe Sestak (PA-07) was an original cosponsor and voted in favor of the Paycheck Fairness Act, which passed the House 256-163. This legislation places the burden of proof on employers for cases in which a gender pay disparity exists, and protects employees who share information about wages.

Current law dictates that employers can raise “any factor other than sex” to justify pay differences between men and women, regardless of whether the factor is related to the employee’s job or to the business. This bill requires that non-gender reasons for any gender-based wage disparity have a “business justification.” An employer would be required to demonstrate that the disparity is based on a factor other than gender, such as education, training, or experience, that is not based upon or derived from a gender-based differential, and is “consistent with business necessity.” Such a defense on the part of the employer would not apply if the employee could prove that an alternative employment practice exists that would serve the same business purpose without producing the differential, and that the employer subsequently refused to adopt the alternative.

“We must take every possible action to stop employers from rewarding their workers on any basis other than quality of performance,” said Congressman Sestak. “It is unacceptable that the US Census reports that women only make 77 cents for every dollar earned by a man. I fully support the measure in this bill that punishes gender-based discrimination in the same way as other forms of wage discrimination by allowing women to sue for compensatory and punitive damages.”

Furthermore, this legislation bars employers from retaliating against employees for sharing information about their salaries. Employees such as payroll and “human resources” personnel would not be protected by the bill if they disclose the wages of other employees to individuals who do not otherwise have access to this information. They would be protected, however, if they were discussing wages with another employee who has access to wage information; if they were discussing their own wages; or if such disclosure was in response to a complaint or charge or is pertinent to an investigation. The bill provides that employees would be considered to work in the same establishment if the employees work for the same employer at workplaces located in the same county or similar political subdivision of a state. In addition, the bill maintains current law regulations which allow employees to compare wages with employees outside their physical location if the company’s salary and staff decisions are made by a central administrative unit or if the employees frequently interchange locations.

Finally, this bill requires the Department of Labor to conduct studies that will assist in reducing the current pay differential. The bill requires the department to complete, within 18 months of enactment, a survey of pay data already available. In addition, the measure requires the Department of Labor to conduct studies and provide information to employers, labor organizations and the public on ways to eliminate pay disparities. The department would be required to conduct and promote research; publish findings from studies and other materials; and sponsor and assist state and community informational and educational programs; and provide information on the means of eliminating pay disparities. The department would then issue regulations concerning the collection of pay information from employers identified by sex, race, and the national origin of employees. The Department of Labor, in consultation with the Department of Education, will also establish a grant program to provide negotiation skills training for girls and women. Such training programs would be intended to help girls and women strengthen their negotiation skills to obtain higher salaries and equal pay.

In his first term, the Congressman took many steps to make progress on key women's issues, including the unjust treatment of women-owned businesses. In September he hosted a forum and fair at Pennsylvania State University's Brandywine Campus to provide information and resources to local businesswomen. The event incorporated business owners, entrepreneurs, and employees in a panel discussion, with an opportunity for attendees to ask questions about ways to enhance their careers. Following the panel, a service fair featured representatives from federal, state and local government agencies, chambers of commerce, microlenders and credit counseling organizations.

This event complemented the District's first Women's Summit, which brought House Small Business Committee Chairwoman Nydia Velazquez to Bryn Mawr to preside over an official Committee Field Hearing on "Challenges Facing Women Small Business Owners." The hearing was followed by two one-hour panels on issues facing women in the workplace and "success strategies." In addition, the Congressman brought together women from seven local businesses, in addition to officials from the Greater Philadelphia Women's Small Business Development Center, Chester Microenterprise and the federal Small Business Administration, for a roundtable discussion on ways the government can provide better services to businesswomen.

"Women business owners do not receive their fair share from the government and it is my job to give my constituents the access they deserve," said Congressman Sestak. "Between 1997 and 2006, majority women-owned businesses experienced a growth rate nearly twice that of the national average. Yet the more than ten million women-owned firms that make up more than 40 percent of all private businesses in this country receive 3.3 percent of Federal contracts. This forum was a great opportunity for my constituents to network, learn about new resources and discuss the challenges facing female entrepreneurs."

As the Vice-Chairman of the House of Representatives Small Business Committee, Congressman Sestak worked on a number of key pieces of legislation to help his constituents. To specifically aid businesswomen, he supported the SBA Women's Business Programs Act, revising the funding formula for Women Business Centers and requiring the National Women's Business Council (NWBC) to conduct a study of the challenges facing women entrepreneurs, with a biannual report on its progress.

Congressman Sestak advocated for other priorities for women, including breast cancer research as he supported increased funding for a Department of Defense peer-reviewed breast cancer research program, as well as a \$65 million increase in the National Institute of Health budget for breast cancer treatment, and brought together breast cancer survivors and patient care advocates for a discussion to consider the challenges to appropriate care faced by patients, family members, and treatment providers, and explore need changes in legislation. Furthermore, the Congressman worked for full funding for Violence against Women Act (VAWA) programs in the Department of Health and Human Services and Department of Justice.

Additional actions taken by the Congressman to benefit women in business include:

- Introducing the SBA Trade Programs Act, which helps entrepreneurs overcome dislocations due to global trends through outreach centers, including Women's Business Centers.
- Introducing a contract unbundling amendment to the Small Business Fairness in Contracting Act requiring large federal mega-contracts to undergo a bundling analysis to create more opportunities for small businesses. He also submitted an amendment to require market research for Department of Defense contracts greater than \$1 million in value.
- Introducing the Small Business Entrepreneurial Development Programs Act to enhance two critical Small Business Administration (SBA) Entrepreneurial Development programs: Small Business Development Centers (SBDCs), including Women Business Development Centers, and the Service Corps for Retired Executives (SCORE).
- Voting for the Small Business Contracting Program Improvements Act, which makes changes to the Small Business Administration's federal contracting programs that will open up new opportunities for small businesses, including women, veteran and minority-owned firms.
- Voting for the Small Business Lending Improvements Act, which provides small businesses with tools to encourage entrepreneurial innovation, including making 7(a) loans more economical. Although it is the goal of the federal government to have 23 percent of its contracts go to small businesses, only 6.7 percent of government contracts in Pennsylvania's Seventh District go to small businesses.
- Voting for the Small Business Investment Expansion Act, which reforms SBA programs to assist small business owners with obtaining investment capital necessary to start or grow their

operations and improves access to venture capital and angel investments for these entrepreneurs.

- Sponsoring a Women in Business Advisory Committee made up of 16 professional business women from our community.

Born and raised in Delaware County, former 3-star Admiral Joe Sestak served in the Navy for 31 years and now serves as the Representative from the 7th District of Pennsylvania. He led a series of operational commands at sea, including Commander of an aircraft carrier battle group of 30 U.S. and allied ships with over 15,000 sailors and 100 aircraft that conducted operations in Afghanistan and Iraq. After 9/11, Joe was the first Director of "Deep Blue," the Navy's anti-terrorism unit that established strategic and operations policies for the "Global War on Terrorism." He served as President Clinton's Director for Defense Policy at the National Security Council in the White House, and holds a Ph.D. in Political Economy and Government from Harvard University. According to the office of the House Historian, Joe is the highest-ranking former military officer ever elected to the U.S. Congress.

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